



July 20, 2006

Rules Processing Team
381 Elden Street, MS-4024
Herndon, Virginia 20170-4817

Re: Incorporate API RP 65 for Cementing Shallow Water Flow Zones, 1010-AD19

ExxonMobil appreciates the opportunity to comment on RIN 1010-AD19 concerning the incorporation by reference of API RP 65 for Cementing Shallow Water Flow Zones in Deep Water into MMS Regulations.

ExxonMobil supports the inclusion of appropriate industry documents, like the API RP 65, into MMS regulations. This action shows due diligence by MMS to maintain close ties with the industry.

With respect to API RP 65, we would like to provide some cautionary statements with respect to the document. Appendix F of this document contains a scorecard that appears to limit the selection of cement systems and technologies applicable to shallow water flow prevention. When the RP was written, foamed cement was the industry choice for shallow water flow prevention. Since that time, new technical developments have lead to additional, high performance lightweight cement slurries that do not require the use of foam. These slurries are designed to meet a number of specific criteria, such as transition time, which can not be met by standard slurries. It is the incorporation of specific slurry design guidance, rather than specific designs that has lead, and will continue to lead, to improvements in the cementing of these wells.

While ExxonMobil supports the incorporation of API RP 65 into the regulations, we submit that omitting Appendices D, E and F would be appropriate. These appendices appear to single out foamed cement as the preferred slurry of choice, and gives the user a false sense that this is the only acceptable solution to shallow water flow. Appendices A, B and C identify specific design and operational practices that are more universally applicable to these wells, and are thus appropriate for inclusion in the regulation.

MMS has solicited comments on two questions with respect to API RP65. The first is: "Is there benefit to singling out a specific cementing technique or "best practice" included in this standard to incorporate into MMS regulations in lieu of incorporating the entire standard?"

In our opinion, to adopt a specific cementing technique hampers the continued development and improvement of cementing practices. To adopt a specific technique would ignore the advances made in cementing technology, and would potentially rob the industry and MMS of the ability to apply these technologies. Adopting a single technique would not be appropriate.

The second question raised is: "Are there other cementing applications in MMS regulations (e.g., well abandonment operations, general cementing requirements included in 30 CFR 250.415) where the cementing techniques discussed in API RP 65 could be used to enhance the safety if it was incorporated into our regulations?"

API RP 65 was written specifically to address "Shallow Water Flow in Deep Water Wells." While the techniques and practices found in the document are drawn from some of the best available technologies, expanding the application of the information contained in the document would not be appropriate. To apply the techniques contained in the document to other wells would increase the operational costs of these wells considerably. As noted by the MMS, incorporating API RP 65 into the regulations would result in a cost of approximately \$20,000 per well or approximately 0.05 percent of the total well cost. This is based on a \$40 million per well total cost for a typical deep water well. Were the same requirements applied to all wells, the associated cost percentage would rise significantly for the industry. This additional cost would not be justified for areas where shallow water flows are not present as no offsetting benefit would be realized.

ExxonMobil appreciates the opportunity to comment on this proposed regulation.

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If you have any comments or questions please contact me at (281) 654-1004.

Sincerely,

EXXON MOBIL CORPORATION



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